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Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP23/05

Tuesday, 24 January 2023

AIMS Property Securities Fund 03 – Panel Receives Application

The Panel has received an application from Mr Benjamin Graham[1] and Mr Warwick Sauer[2] (together, the **Applicants**) in relation to the affairs of AIMS Property Securities Fund (**APW**). The application concerns whether certain unitholders in APW are associated.

Details of the application, as submitted by the Applicants, are below.

A sitting Panel has not been appointed at this stage and no decision has been made whether to conduct proceedings. The Panel makes no comment on the merits of the application.

Details

APW is a listed real estate investment trust (ASX: APW, SGX: BVP).

The Applicants are unitholders in APW.

On 21 July 2022, AIMS Investment Group Holdings Pty Ltd (a member of the Consolidated AIMS Group) (**Bidder**) issued a Replacement Bidder's Statement in relation to an off-market takeover offer to acquire all or some of the units in APW for A$1.25 cash per unit (**Offer**).

At the time of the Offer:

- the Consolidated AIMS Group held a relevant interest of approximately 43.17% in the units of APW.[3] Mr George Wang controls the Consolidated AIMS Group and
- Mr Jason Wang and Ms Jenny Wang held a combined total of approximately 1.48% in the units of APW. Mr Jason Wang and Ms Jenny Wang are the brother and sister respectively of Mr George Wang.

On 18 August 2022, AIMS Fund Management Limited as responsible entity of APW issued its Target's Statement and an Independent Expert's Report in relation to the Offer. APW's

[1] As trustee for the Graham Family Trust
[2] In his personal capacity and as a director of Baauer Pty Ltd as trustee for the Baauer Family Trust
[3] Based on the change of substantial holder notice lodged on 21 July 2022

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Independent Directors recommended that unitholders reject the Offer[4] and the Independent Expert opined that the Offer was neither fair nor reasonable to non-associated unitholders.[5]

The Offer closed on 21 September 2022.

The Applicants submit that *"[i]t appears that both Jason Wang and Jenny Wang sold (or, largely sold) their APW units to their brother* (Mr George Wang) *at the $1.25 offer price"* despite (among other things):

- the Offer price being *"materially lower"* than the amount originally paid for their units
- the Independent Expert opining that the Offer was neither fair nor reasonable and
- APW's Independent Directors recommending that unitholders reject the Offer.

Accordingly, the Applicants submit (among other things) that Mr Jason Wang and Ms Jenny Wang were, when they acquired and sold their APW units and at all times in between, undeclared associates of Mr George Wang and the Consolidated AIMS Group.

The Applicants seek final orders that (in summary) all APW units sold by Mr Jason Wang and Ms Jenny Wang to Mr George Wang or any other member of the Consolidated AIMS Group (whether on-market or via Offer acceptances), and any APW units still retained by Mr Jason Wang, be vested with ASIC for sale to any non-associated party, with ASIC to retain any sale proceeds in excess of the net acquisition costs paid by the buyers for those units.

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[4] Mr George Wang, Executive Chairman of APW's responsible entity, abstained from making a recommendation in relation to the Offer on the basis that he has a material personal interest in the outcome of the Offer

[5] Being a unitholder other than the Bidder and/or any other unitholder that is an associate of the Bidder